

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 95-160-G - ORDER NO. 95-1752 ✓
DECEMBER 20, 1995

IN RE: Annual Review of Purchased Gas)	ORDER DENYING
Recovery Procedures and Gas)	PETITION FOR
Purchasing Policies of Piedmont)	REHEARING AND/OR
Natural Gas Company.)	RECONSIDERATION
)	OF ORDER NO. 95-1648
)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the December 1, 1995, Petition for Rehearing and/or Reconsideration of Order No. 95-1648 filed by the Consumer Advocate for the State of South Carolina (the Consumer Advocate). In his Petition, the Consumer Advocate contends that information provided to the Commission in an October 24, 1995 letter from Paul C. Gibson of Piedmont Natural Gas Company (Piedmont or the Company) constituted ex parte communication between Piedmont and the Commission, and therefore, the due process rights of the Consumer Advocate were denied by the Commission's issuance of Order No. 95-1648. The Consumer Advocate also states that the Commission's reference to the PGA deferred account balance in the Order is "irrelevant, speculative and arbitrary."

The Commission notes that the October 24, 1995 letter from Piedmont was filed pursuant to the Company's PGA tariff already

established at the Commission. Piedmont is required by the Commission-approved tariffs to file the letter referred to, to advise the Commission of the balance in its PGA deferred account. The letter was filed with the Executive Director of the Commission in accordance with past practice.

In its response, Piedmont alleges that it does not know how the Commission could determine if Piedmont is complying with its Commission-approved tariff, if Piedmont did not advise the Commission as it did in the October 24, 1995 letter of the 253.04 account balance. As Piedmont notes, there is nothing in the tariff that requires that Piedmont provide the Consumer Advocate with a copy of any letter referring to the balance in its deferred account. The Commission agrees with the reasoning of Piedmont as stated above, and hold that the matter was not ex parte communication, but simply a filing in compliance with the Commission-approved tariff.

Second, the Consumer Advocate alleges that the Commission's reference to the PGA deferred account balance in Order No. 95-1648 is irrelevant, speculative and arbitrary. As Piedmont notes, the whole point of the deferred account true-up is to require Piedmont to refund overcollections to its customers. When Piedmont has overcollected, the true-up is accomplished through a decrement in future rates. The only way to determine if Piedmont has refunded amounts over \$3 million is to examine the balance in the deferred account. This is what the Commission did in this case, and it was determined that the balance was less than \$3 million. The

Commission merely approved the filing ordered by the tariff, according to Piedmont.

The Commission has examined this reasoning and agrees with Piedmont that the reference to the deferred account balance was totally relevant, and in light of the fact that the Company had asked for approval of its filing, which was pursuant to a Commission approved tariff, it was necessary to discuss the deferred account in that context. Therefore, the second ground for rehearing and/or reconsideration is hereby rejected.

The Commission has examined the Petition for Rehearing and/or Reconsideration of the Consumer Advocate as a whole, and in its component parts, and determines that said Petition must be denied.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)